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RESERVE



Market Administrator's
McClary **Bulletin**

MARKET ADMINISTRATOR

Published at 79 East State Street, Columbus, Ohio 43215

ISSUED FOR PRODUCERS WHO ARE NOT MEMBERS OF

DECEMBER, 1969

CO-OPERATIVE ASSOCIATION

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Miami Valley

MARKET FACTS FOR EASY REFERENCE

PRICE SUMMARY

Producers' Uniform Price (3.5%)
Class I (3.5%)
Class II (3.5%)
Producer Butterfat Differential for each 1/10% ...

Nov. 1969	Oct. 1969	Nov. 1968
\$6.00	\$6.00	\$6.14
6.29	6.23	6.16
4.27	4.27	4.19
8.0¢	8.2¢	8.0¢

RECEIPTS AND UTILIZATION SUMMARY

Class I Pounds
Class II Pounds
Percent of Producer Milk in Class I
Percent of Producer Milk in Class II

28,567,594	32,061,057	31,211,188
11,315,077	10,804,687	5,184,833
71.6	74.8	85.8
28.4	25.2	14.2

PRODUCER MILK RECEIPTS

Total Pounds of Producer Milk Delivered
Total Number of Producers
Average Daily Receipts per All Producers

Average Butterfat Test
Total Value of Producer Milk at Test
Income per Producer (7 Day Average)

Supply-Demand Adjustment to Class I Price (Cents) ..

39,882,671	42,865,744	36,396,021
1,372	1,412	1,351
969	979	898
3.88	3.73	3.86
\$2,513,373	\$2,652,221	\$2,339,481
\$427	\$424	\$404
+.27	+.30	+.39

NUMBER OF PRODUCER CHANGES

New Producers
Producers Resumed Shipping
Producers off Market

3	4	5
3	-0-	3
46	54	14

AVERAGE DAILY SALES (Quarts)

Milk
Buttermilk
Chocolate
Skim
Cream

304,202	318,682	346,271
10,634	10,651	7,938
28,295	32,574	27,767
100,516	106,534	109,272
5,927	5,294	6,075

COMPARATIVE STATISTICS

MIAMI VALLEY MARKETING AREA

NOV., 1960 - '69

Year	Receipts from Producers	Average Butter-fat Test	Percentage of Producer Milk in Each Class		Uniform Producer Price (3.5%)	Class Prices at 3.5%		Number of Producers	Average Daily Prod.
			Class I	Class II		Class I	Class II		
1960	35,130,490	3.91	77.0	23.0	4.67	4.631	3.330	1,944	602
1961	36,673,737	3.94	75.4	24.6	4.67	4.599	3.416	1,774	689
1962	36,389,249	3.90	78.5	21.5	4.53	4.41	3.211	1,643	738
1963	37,016,707	3.96	78.8	21.2	4.60	4.51	3.300	1,476	836
1964	36,124,532	3.89	79.4	20.6	4.66	4.59	3.473	1,420	848
1965	38,151,951	3.80	77.8	22.2	4.83	4.91	3.554	1,448	878
1966	36,806,270	3.90	82.8	17.2	5.77	5.77	4.153	1,366	898
1967	36,517,428	3.92	82.1	17.9	5.80	5.85	3.91	1,387	878
1968	36,396,021	3.86	85.8	14.2	6.14	6.16	4.19	1,351	898
1969	39,882,671	3.88	71.6	28.4	6.00	6.29	4.27	1,372	969

HEARING SET ON ECONOMIC FORMULA FOR PRICING MILK TO FARMERS UNDER FEDERAL ORDERS

A proposed economic formula for pricing bottling milk to dairy farmers under all federal milk marketing orders will be considered at a public hearing, Jan. 20, in Clayton, Mo., (near St. Louis) the U. S. Department of Agriculture has announced.

USDA's Consumer and Marketing Service officials said the hearing will begin at 10 a.m. in the Colony Inn, 7730 Bon Homme Avenue, Clayton, Mo. It was requested by the National Milk Producers Federation on behalf of its member cooperative associations, which represent the majority of dairy farmers marketing milk under federal milk orders.

The proposed amendments would provide for identical bottling milk

(Class I) price changes to be made simultaneously in all federal order markets. Prices to farmers would be adjusted quarterly in 20-cent increments in line with changes in various economic factors.

Bottling milk (Class I) prices to farmers in federal milk orders now provide for changes reflecting a single price series, prices paid for manufacturing grade milk in Minnesota and Wisconsin.

Other proposals to limit or modify the economic formula also will be considered at the hearing. The alternative proposals are from the Milk Industry Foundation, representing the majority of milk distributors regulated under federal orders.

After considering the hearing evidence, USDA will decide whether to recommend amending the orders in any of the ways proposed, based on the hearing record. Everyone interested would then have an opportunity to submit comments on this decision, which would be considered by USDA before issuance of a final decision for the required dairy farmer approval.

Copies of the hearing notice containing the proposals in more detail may be obtained from market administrators of the federal milk orders, or from the Dairy Division, Consumer and Marketing Service, U. S. Department of Agriculture, Washington, D. C. 20250.

DAIRY SALES RISE IN THIRD QUARTER

Dairy Situation, November, 1969

After falling nearly 2 percent below a year earlier during the first half of 1969, commercial disappearance of milk in all products (milk equivalent, fat solids basis) turned upward in the third quarter by an estimated 1½ percent. But sales for all of 1969 may be around 1 percent less than last year's 110 billion pounds of milk equivalent. However, for individual

products, sales patterns are following earlier established trends.

Down — fluid whole milk, butter, cream and cream mixtures, canned milk, and nonfat dry milk.

Up — fluid lowfat and skim milk items, American cheese, and other cheese.

Unchanged — frozen dairy products.

For 1970, prospects are for less rise in retail dairy prices than this year. This and rising population will be favorable to increased dairy sales. On the other hand, the rate of gain in the economy appears to be slowing, and unemployment has increased slightly. These trends lessen the chances of a 1970 rise in commercial disappearance of all milk.



SIX POINTS TO BETTER MILK MARKETS

What is a better milk market?

It is something different to everyone, depending on his point of view.

A dairy farmer with milk to sell naturally thinks of a better market in terms of the price he will receive. Is it in keeping with his production costs, his investment, time, and efforts? And will he always have a buyer for his milk? He wants a "yes" answer to these questions.

But a consumer is prone to think in terms of the availability of the dairy products she wants and needs for her family, at what she feels is a reasonable price.

Both dairy farmers and consumers, as well as milk dealers in between, are



*The Market Administrator
and his Staff
Wish You A Happy
Holiday Season*

Market Quotations

NOVEMBER
1969

MINNESOTA - WISCONSIN PRICE SERIES	\$4.62
Butter-Powder Price	4.27
Average Price per lb. 92-score butter at Chicago	.6784
Average carlot prices, spray process nonfat dry milk, f.o.b. Chicago area manufacturing plants	.2314

interested in keeping milk moving through the marketing system.

Thus they all have something to gain from the Federal milk marketing order program, authorized by Congress some thirty years ago, and expanded through the years by popular request and approval of dairy farmers affected.

The program is aimed at maintaining orderly marketing conditions between dairy farmers and milk dealers in order to keep a dependable supply of milk on hand for consumers, as they buy for whatever their day-to-day needs may be.

This is keyed to the Federal milk order minimum prices to farmers-the least that milk dealers can pay dairy-men from whom they buy milk.

While prices consumers pay for milk are not set by the orders, the market stability the orders create in earlier channels of trade is passed on and enhances market stability at the retail level.

According to dairy marketing specialists in the U. S. Department of

Agriculture's Consumer and Marketing Service, some important characteristics or prerequisites for an effective and better marketing situation are:

A market where prices are relatively stable in the shortrun and one which provides farmers with some assurance of future prices on which to base production plans.

A market in which farmers have some assurance that they will have an outlet for their milk.

Prices which provide a fair return on dairy farmers' investments and which, at the same time, are not so high as to discourage acceptance of milk and dairy products by consumers.

Fair weights and tests on milk farmers deliver.

An efficient distribution system for milk and dairy products.

A market where the market power and market knowledge of buyer and seller are approximately equal.

These are generally in the market picture where a Federal milk order is operating.